

MAY/01/95 receiv

m/027/007

Facsimile Cover Sheet

To: WAYNE HEDBERG
Company: UTAH DOGM
Phone: _____
Fax: 801-359-3940

From: E.B. KING at
Company: ASOMA INSTRUMENTS, INC.
Phone: 512-258-6608
Fax: 512-258-5678

Date: 5/1/95
Pages including this
cover page: 3

Comments: Per our tel con, please review
and approve or amend this status letter.

Thanks,

Ed King

JUMBO MINING COMPANY

6305 Fern Spring Cove

Austin, Texas 78759

512-258-6608 (Ph.)

512-331-9123 (Fax)

File: DOG05015.doc

May 1, 1995

DRAFT *** DRAFT ***** DRAFT**

D. Wayne Hedberg, Permit Supervisor
State of Utah, Dept. of Natural Resources
Utah Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center - Suite 350
Salt Lake City, Utah 84180-1203

Re: Reclamation/Drum Mine--Millard County--M/027/007

Dear Mr. Hedberg:

Confirming our telephone conversations and recent visits to the Drum Mine site by you and your staff, you have indicated that it is the desire of your Department to revise and update all facets of the Drum Mine Permit, and not to deal just with topsoil and old heap reclamation. I understand the following to be the status of your investigations:

- 1) Topsoil---you are reviewing the cost estimates which we have submitted and will, in due course, accept our numbers or propose new ones.
- 2) Your staff is in the process of reviewing and updating all other reclamation estimates from the original 1984 figures, which were last amended in 1989.
- 3) Your staff is reviewing all permit conditions and will propose updates to bring these permits and mining plans up to date.
- 4) A revised Plan of Operations will be required from Jumbo Mining Company, which describes and encompasses the construction of a new heap, as well as the contemplated second stage expansion of the new heap to accommodate the reprocessing of old heaps No.'s 2, 3, 4, 5, 6, and 7, as well as LG1 and LG2.

In this connection, I advised you that Jumbo and its consultant, Dr. Evert Lawton, have been working with the Utah DEP to finalize engineering permit conditions for the

Letter to Hedberg, Permit Supervisor
State of Utah, Dept. of Natural Resources
February 8, 1995

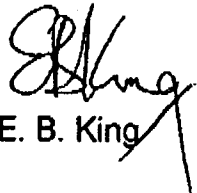
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new heap and its possible extensions. We have previously submitted preliminary engineering plans and design drawings for the first stage new heap, and my understanding is that this is sufficient detail for your department to estimate reclamation costs for this new item.

5) You will send to us, in due course, examples of the new transfer forms that must be completed by Western States and Jumbo Mining Company, and accepted by your Department, prior to the transfer of reclamation responsibility from one party to another.

If there are any questions, additions to this status report, or further information is required from Jumbo, please give me a call. Either Dave Hartshorn or I will be pleased to meet with you on the site or in Salt Lake City to expedite the conclusion to this matter.

Sincerely yours,



E. B. King

cc: D. Hartshorn/Drum Mine
ZLS, WEM